BOB RILEY GOVERNOR



State Capitol Montgomery, Alabama 36130

> (334) 242-7100 Fax: (334) 242-0937

STATE OF ALABAMA

September 30, 2009

The Honorable Richard Shelby United States Senate 304 Russell Senate Office Building Washington, DC 20510-0001

Dear Senator Shelby:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

The Senate and House of Representatives are considering a bill that includes a major expansion of Medicaid and an increase in costs to the states. Our Medicaid Department has reviewed the cost of expanding Medicaid to 150% Federal Poverty Level and determined that it would cost state and federal taxpayers an additional \$1.2 billion per year to cover this mandate alone. Unlike the federal government, our state actually has to balance its budget. Given the effects of the current economic condition on our budgets, any additional costs will overwhelm our resources. Expecting states in the current economic climate to provide additional funding for federal mandates is not reasonable or even practical.

Instead of raising taxes, imposing mandates and charging penalties on small businesses, Congress and the White House may want to consider an approach we have begun to take in Alabama. Small businesses, those with 24 or fewer employees, can now deduct 150% of the money they spend on health insurance premiums from their state taxes, and their employees earning up to \$50,000/year can do the same.

The Honorable Richard Shelby September 30, 2009 Page 2 of 2

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Not only is health care less expensive in Alabama than just about anywhere else in the country, we are also an open market for insurers. More than 300 companies are licensed to sell health care insurance in our state. We encourage competition and welcome insurers to help in the effort to drive down costs.

We, as a nation, must address the problems of our existing health care system, but simply unloading them on the states will not work. I thank you for your interest in this very important matter and look forward to working with you to find common sense ways to reform our health care system.

Sincerely,

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STATE CAPITOL MONTGOMERY, ALABAMA 36130

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STATE OF ALABAMA

September 30, 2009

The Honorable Jeff Sessions United States Senate 335 Russell Senate Building Washington, DC 20510-0001

Dear Senator Sessions:

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STATE OF ALABAMA

September 30, 2009

The Honorable Mike Rogers U.S. House of Representatives Alabama - 3rd District 514 Cannon House Office Building Washington, DC 20515-0001

Dear Congressman Rogers:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

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The Honorable Mike Rogers September 30, 2009 Page 2 of 2

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State Capitol Montgomery, Alabama 36130

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STATE OF ALABAMA

September 30, 2009

The Honorable R. Parker Griffith, M.D. U. S. House of Representatives 417 Cannon Office Building Washington, DC 20515-0001

Dear Congressman Griffith:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

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The Honorable R. Parker Griffith, M.D. September 30, 2009 Page 2 of 2

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STATE OF ALABAMA

September 30, 2009

The Honorable Artur G. Davis United States House of Representatives Alabama - 7th District 208 Cannon House Office Building Suite 400-B Washington, DC 20515-0107

Dear Congressman Davis:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

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The Honorable Artur G. Davis September 30, 2009 Page 2 of 2

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State Capitol Montgomery, Alabama 36130

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STATE OF ALABAMA

September 30, 2009

The Honorable Bobby N. Bright U. S. House of Representatives 1205 Longworth Bldg. Washington, D.C. 20515

Dear Congressman Bright:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

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The Honorable Bobby N. Bright September 30, 2009 Page 2 of 2

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STATE OF ALABAMA

September 30, 2009

The Honorable Jo Bonner United States House of Representatives Alabama - 1st District 2236 Rayburn House Office Building Washington, DC 20515-0001

Dear Congressman Bonner:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

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The Honorable Jo Bonner September 30, 2009 Page 2 of 2

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STATE OF ALABAMA

September 30, 2009

The Honorable Spencer Bachus United States House of Representatives Alabama - 6th District 442 Cannon House Office Building Washington, DC 20515-0001

Dear Congressman Bachus:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

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The Honorable Spencer Bachus September 30, 2009 Page 2 of 2

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STATE OF ALABAMA

September 30, 2009

The Honorable Robert B. Aderholt United States House of Representatives Alabama - 4th District 1433 Longworth Building Washington, DC 20515-0001

Dear Congressman Aderholt:

Democrats and Republicans alike agree that our health care system is in need of reform; however, it appears the proposal you will likely be called to vote on has serious flaws that will have a dire budgetary impact on Alabama. As governor of our state, I am writing to express a specific concern I have about this proposal.

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The Honorable Robert B. Aderholt September 30, 2009 Page 2 of 2

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